GOVERNMENT OF INDIA
LAW , JUSTICE AND COMPANY AFFAIRS
LOK SABHA

UNSTARRED QUESTION NO:1224
ANSWERED ON:07.03.2002
CONTROVERCY AND CONFUSION BOTH IN LEGAL AND COMMERCIAL CIRCLES
VINAY KUMAR SORAKE

Will the Minister of LAW , JUSTICE AND COMPANY AFFAIRS be pleased to state:

(a) whether the recent notification of Repealing and Amending Act of 2001 on September 3, 2001 by the Government has created controversy and confusion both in legal and commercial circles;

(b) whether this Act has sought to repeal various amending statutes listed in the First Schedule to the Act;

(c) whether this Act in effect has caused the rescindment of the parent amended statutes; and

(d) whether the judiciary has refused to entertain such proceedings on the basis of interpretation suggested by the Act?

Answer

MINISTER OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI ARUN JAITLEY)

(a) It was brought to the notice of the Government that on the repeal of the Banking, Public Financial Institutions and Negotiable Instruments Laws (Amendment) Act, 1988 by the Repealing and Amending Act, 2001, the courts did not entertain new complaints of bouncing of cheques under sections 138 to 142 of the Negotiable Instruments Act, 1881. With a view to dispel the misunderstanding, the Government immediately issued a press release explaining the true effect and scope of the Repealing and Amending Act, 2001. The position has also been explained to the Bar Council of India with the request to disseminate the correct position to others concerned.

(b) Yes, Sir.

(c) No, Sir.

(d) No, Sir. The misunderstanding was not warranted by the Act in question. However, the correct position has been clarified.